



February 3, 2017

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051.

Sub.: Outcome of the Board Meeting of Aditya Birla Fashion and Retail Limited (formerly known as Pantaloons Fashion & Retail Limited) ("the Company") held on February 3, 2017 [Scrip Code: BSE – 535755; NSE – ABFRL]

Ref.: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations")

Dear Sir/Madam,

Kindly note that the Board of Directors of the Company has, in its meeting held today i.e. on Friday, February 3, 2017 ("*said Meeting*"), *inter alia* considered and approved the Unaudited Financial Results for the quarter and nine - months ended on December 31, 2016. The said Meeting commenced at 11.30 a.m. and concluded at 1.30 p.m.

In terms of SEBI Regulations, please find enclosed herewith the Unaudited Financial Results of the Company for the quarter and nine - months ended December 31, 2016 alongwith the Limited Review Report thereon issued by the Statutory Auditors of the Company and taken on record by the Board of Directors of the Company.

Copy of the Investor Presentation issued in this regard is also enclosed herewith.

The above is for your information and record.

Please acknowledge receipt of the same.

Thanking you,

Yours faithfully,

For **Aditya Birla Fashion and Retail Limited**

Geetika Anand

Asst. Vice President & Company Secretary

Encl.: a/a



Central Depository Services (India) Ltd.

16th & 17th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400 023.
Fax - 022 2272 3199

National Securities Depository Ltd.

Tradeworld, 4th & 5th Floors,
Kamala Mills Compound,
Lower Parel, Mumbai – 400 013.
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Aditya Birla Fashion and Retail Limited (formerly known as Pantaloons Fashion & Retail Limited)

701-704, 7th Floor, Skyline Icon Business Park,
86-92, Off A. K. Road, Marol Village, Andheri East,
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Aditya Birla Fashion and Retail Limited
(Formerly known as Pantaloon Fashion & Retail Limited)

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

Rs. in Lakhs

Sr. No.	Particulars	Quarter Ended			Nine Months Ended	
		December 31, 2016 (Unaudited)	September 30, 2016 (Unaudited)	December 31, 2015 (Unaudited) (Refer Notes 2 & 3)	December 31, 2016 (Unaudited)	December 31, 2015 (Unaudited) (Refer Notes 2 & 3)
1	Income from Operations					
	(a) Income from Operations	1,69,900	1,87,525	1,61,368	4,97,391	4,56,814
	(b) Other Operating Income	816	1,148	1,024	3,510	3,100
	Total Income from Operations	1,70,716	1,88,673	1,62,392	5,00,901	4,59,914
2	Expenses					
	(a) Cost of Materials Consumed	15,315	17,018	13,680	46,450	44,011
	(b) Purchase of Stock-In-Trade	56,097	76,049	60,641	1,73,378	1,69,858
	(c) Change in Inventories of Finished Goods, Work-in-Progress and Stock-In-Trade	6,719	(5,502)	(1,176)	7,850	(3,703)
	(d) Employees Benefits Expense	18,412	18,941	17,256	54,352	48,014
	(e) Depreciation and Amortisation Expense	6,512	5,992	5,492	17,666	17,613
	(f) Excise Duty	771	904	-	1,993	-
	(g) Rent Expense	29,915	26,443	25,269	81,611	70,301
	(h) Other Expenses	34,797	38,341	37,195	1,03,092	1,02,412
	Total Expenses	1,68,538	1,78,186	1,58,357	4,86,392	4,48,506
3	Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1 - 2)	2,178	10,487	4,035	14,509	11,408
4	Other Income	787	711	627	2,079	1,750
5	Profit / (Loss) from ordinary activities before Finance Costs and Exceptional Items (3 + 4)	2,965	11,198	4,662	16,588	13,158
6	Finance Costs	4,205	4,709	4,018	13,421	13,236
7	Profit / (Loss) from ordinary activities after Finance Costs but Before Exceptional Items (5 - 6)	(1,240)	6,489	644	3,167	(78)
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before Tax (7 + 8)	(1,240)	6,489	644	3,167	(78)
10	Tax Expense	-	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(1,240)	6,489	644	3,167	(78)
12	Other Comprehensive Income	562	(841)	10	(314)	(9)
13	Total Comprehensive Income (11 + 12)	(678)	5,648	654	2,853	(87)
14	Paid Up Equity Share Capital (Face Value of Rs. 10/- each)	76,989	76,909	9,279	76,989	9,279
15	Earnings per Share (of Rs. 10/- each) (not annualised) (including share suspense)					
	(a) Basic - Rs.	(0.16)	0.84	0.08	0.41	(0.01)
	(b) Diluted - Rs.	(0.16)	0.84	0.08	0.41	(0.01)

SIGNED FOR IDENTIFICATION BY

S R B & CO LLP
MUMBAI



UNAUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

Rs. in Lakhs

Sr. No.	Particulars	Quarter Ended			Nine Months Ended	
		December 31, 2016 (Unaudited)	September 30, 2016 (Unaudited)	December 31, 2015 (Unaudited) (Refer Notes 2 & 3)	December 31, 2016 (Unaudited)	December 31, 2015 (Unaudited) (Refer Notes 2 & 3)
1	Segment Revenue					
	Madura Fashion & Lifestyle	1,05,583	1,17,132	1,05,970	3,06,921	3,04,794
	Pantaloons	66,663	72,671	59,189	1,96,769	1,62,807
	Total Segmental Revenue	1,72,246	1,89,803	1,65,159	5,03,690	4,67,601
	Less: Inter Segment Revenue	1,530	1,130	2,767	2,789	7,687
	Net Sales / Income from Operations	1,70,716	1,88,673	1,62,392	5,00,901	4,59,914
2	Segment Results (Profit before Finance Costs and Tax)					
	Madura Fashion & Lifestyle	3,717	8,952	4,336	15,509	20,678
	Pantaloons	(593)	1,751	194	447	(4,865)
	Total Segment Result	3,124	10,703	4,530	15,956	15,813
	Less: Inter-Segment Result	(106)	(585)	(132)	(1,166)	2,655
	Net Segment Result	3,230	11,288	4,662	17,122	13,158
	Less: i) Interest	4,205	4,709	4,018	13,421	13,236
	ii) Other Un-allocable Expenditure / (Income) - net	265	90	-	534	-
	Profit / (Loss) after Finance Costs but before Exceptional Items	(1,240)	6,489	644	3,167	(78)
	Exceptional Items	-	-	-	-	-
	Total Profit / (Loss) before Tax	(1,240)	6,489	644	3,167	(78)
3	Segment Assets	As on Dec. 31, 2016	As on Sep. 30, 2016	As on Dec. 31, 2015	As on Dec. 31, 2016	As on Dec. 31, 2015
	Madura Fashion & Lifestyle	2,81,204	2,98,526	2,59,868	2,81,204	2,59,868
	Pantaloons	2,14,239	2,19,763	2,18,286	2,14,239	2,18,286
	Total Segment Assets	4,95,443	5,18,289	4,78,154	4,95,443	4,78,154
	Inter-Segment Eliminations	(4,139)	(7,999)	(8,050)	(4,139)	(8,050)
	Unallocated Corporate Assets	1,632	1,600	1,456	1,632	1,456
	Total Assets	4,92,936	5,11,890	4,71,560	4,92,936	4,71,560
4	Segment Liabilities	As on Dec. 31, 2016	As on Sep. 30, 2016	As on Dec. 31, 2015	As on Dec. 31, 2016	As on Dec. 31, 2015
	Madura Fashion & Lifestyle	1,44,642	1,55,448	1,48,557	1,44,642	1,48,557
	Pantaloons	59,962	59,662	53,525	59,962	53,525
	Total Segment Liabilities	2,04,604	2,15,110	2,02,082	2,04,604	2,02,082
	Inter-Segment Eliminations	(2,678)	(6,432)	(5,394)	(2,678)	(5,394)
	Unallocated Corporate Liabilities	160	127	-	160	-
	Total Liabilities	2,02,086	2,08,805	1,96,688	2,02,086	1,96,688

Note:

The business of the Company is divided into two business segments – Madura Fashion & Lifestyle and Pantaloons. These segments are the basis for management decision and hence the basis for reporting.

**SIGNED FOR IDENTIFICATION
BY**

**S R B C & CO LLP
MUMBAI**



Notes:

- 1 The above results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on February 3, 2017.
- 2 The Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder. The date of transition is April 1, 2015. The impact of transition has been accounted for in opening reserves and the comparative period results has been restated accordingly.
- 3 The limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Auditors of the Company and the related report is being submitted to the concerned stock exchange. The corresponding financial information of the Company for the quarter and nine months ended December 31, 2015 are in compliance with the Indian Accounting Standards (IND AS) notified by the Ministry of Company Affairs. Adjustments, made to the previously issued financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with IND AS has been reviewed by the Company's statutory auditor.
- 4 Reconciliation of Net Profit / (Loss) on account of transition from previous GAAP to Ind AS for the quarter and nine months ended December 31, 2015.

Particulars	Rs. in Lakhs	
	Quarter Ended December 31, 2015 (Unaudited) (Refer Notes 2 & 3)	Nine Months Ended December 31, 2015 (Unaudited) (Refer Notes 2 & 3)
Net Profit / (Loss) as per Indian GAAP (restated to give effect of scheme of demerger of Madura business)	743	568
Adjustments to restate to Ind AS:		
Unwinding of financial assets and liabilities	(17)	(40)
Interest on liability portion of compound financial instrument	-	(100)
Derecognition of revenue net of related expenses	(223)	(691)
Rent free period (Lease Incentive) considered for rent straightlining	136	60
Others	15	116
Actuarial gains / (losses) of defined benefit plan being transferred to Other Comprehensive Income	(10)	9
Net Profit / (Loss) as per Ind AS	644	(78)

- 5 Previous periods figures have been regrouped / rearranged wherever necessary to conform to the current period's classification(s).
- 6 On December 16, 2016, the Stakeholders Relationship Committee of the Board of Directors, allotted 4,64,113 Equity Shares of Rs. 10/- each, pursuant to the exercise of Stock Options in terms of the Employee Stock Options Scheme - 2013.
- 7 Pursuant to the Composite Scheme of Arrangement amongst the Company, Aditya Birla Nuvo Limited ("ABNL"), Madura Garments Lifestyle Retail Company Limited ("MGLRCL") and their respective shareholders and creditors ("Composite Scheme"), Madura Undertaking of ABNL and MGL Retail Undertaking of MGLRCL ("demerged undertakings") were transferred to the Company on a going concern basis w.e.f. April 1, 2015 ("Appointed Date"). The effective date of the scheme is January 9, 2016. The demerged undertakings collectively form a division of the Company viz. Madura Fashion & Lifestyle and Pantaloons Format business forms a separate division of the Company. Accordingly, financial results of the Company have been restated w.e.f. April 1, 2015 to include the results of the demerged undertakings into the financial results of the Company and hence, the financial results of the Company for the quarter and nine months ended as on December 31, 2015 as enumerated hereinabove, also include the results of the demerged undertakings.

On effectiveness of the Composite Scheme, the Board of Directors of the Company ("Board"), approved issuance of 67,98,19,778 Equity Shares of the Company pursuant to the Composite Scheme, out of which 67,60,37,600 Equity Shares were allotted by the High Power Committee of the Board to the eligible shareholders of ABNL and MGLRCL on January 27, 2016 as per their respective share entitlements determined in the manner described in the Composite Scheme. In terms of Clause 21 of the Composite Scheme, the allotment of 37,82,178 Equity Shares of Rs. 10/- each ("said shares"), pertaining to the Non- Resident Shareholders of ABNL holding shares on repatriation basis ("NRE Shareholders") was kept pending until receipt of applicable regulatory approval(s).

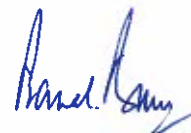
Company evaluated various options for settling the lawful entitlements of such NRE Shareholders in terms of the provisions of the applicable laws and it has been advised the entitlements of NRE Shareholders can be credited to the accounts held by them on Non-repatriation basis (NRO), in India, if any. Accordingly, out of the said shares, the Company has, till date, allotted 923,468 Equity Shares of Rs. 10/- each to 211 NRE Shareholders who have provided their valid consent for allotment of their respective entitlements to their accounts held on Non-repatriation basis (NRO) in India along with valid details thereof.

As at December 31, 2016, Face value of the 32,05,262 equity shares has been accounted as "Share Suspense Account".

- 8 The Company has effective July 01, 2016, acquired exclusive franchise rights for the Indian market of Forever 21. Accordingly the results for nine months ended December 31, 2016, includes six months results of Forever 21, which have been included in the Madura Fashion & Lifestyle segment of the Company.

Place : Mumbai
Date : February 3, 2017




Pranali Barua
Managing Director

Aditya Birla Fashion and Retail Limited
(formerly known as Pantaloons Fashion & Retail Limited)
Registered Office: 701-704, 7th Floor, Skyline Icon Business Park, 86-92, Off. A K Road, Marol Village
Andheri (E), Mumbai - 400059, India
CIN: L18101MH2007PLC233901 E-mail: abfrl@adityabirla.com Website: www.abfrl.com



Limited Review Report

**Review Report to
The Board of Directors
Aditya Birla Fashion and Retail Limited**

We have reviewed the accompanying statement of unaudited financial results of Aditya Birla Fashion and Retail Limited ('the Company') for the quarter ended December 31, 2016 and year to date from April 1, 2016 to December 31, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

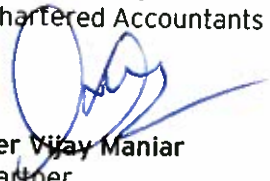
We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We did not review the financial results for the quarter ended June 30, 2016 in respect of Madura division included in the accompanying unaudited financial results, whose financial results and information have been reviewed by the other auditors and whose reports have been furnished to us.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

The comparative financial information of Madura division of the Company for the corresponding quarter and nine month period ended December 31, 2015 included in these accompanying Statement are based on the previously issued financial results prepared in accordance with the Companies (Accounting Standards) Rules, 2006 reviewed by the predecessor auditor whose report dated 11 February 2016 expressed an unmodified opinion on those financial results, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been reviewed by us.

For S R B C & CO LLP
ICAI Firm registration number: 324982E/E300003
Chartered Accountants


per **Vijay Maniar**
Partner
Membership No.: 36738
Place: Mumbai
Date: 3 February 2017





Aditya Birla Fashion and Retail Limited

Performance Highlights – Q3 FY16-17

Strong portfolio of India's iconic brands

- **Top 3 menswear brands in the country**; each of them have a **turnover ~Rs. 1,000 Cr**
 - Louis Philippe
 - Peter England
 - Van Heusen
- Pantaloons is one of the **largest value fashion retailer**
- Allen Solly is **among the top 3 premium casual brands**

Largest pan-India distribution network

- Presence in **375 cities and towns** with **~6.0 mn sq ft** of retail network space
- **7,000+ POS** and **2,200+ EBOs**

#1 player across men's and women's wear segments

- Menswear portfolio of ~ Rs. 4,300 Cr *
- Womenswear portfolio of ~Rs. 1,150 Cr.*
- **ABFRL the #1 player in the two largest apparel segments**

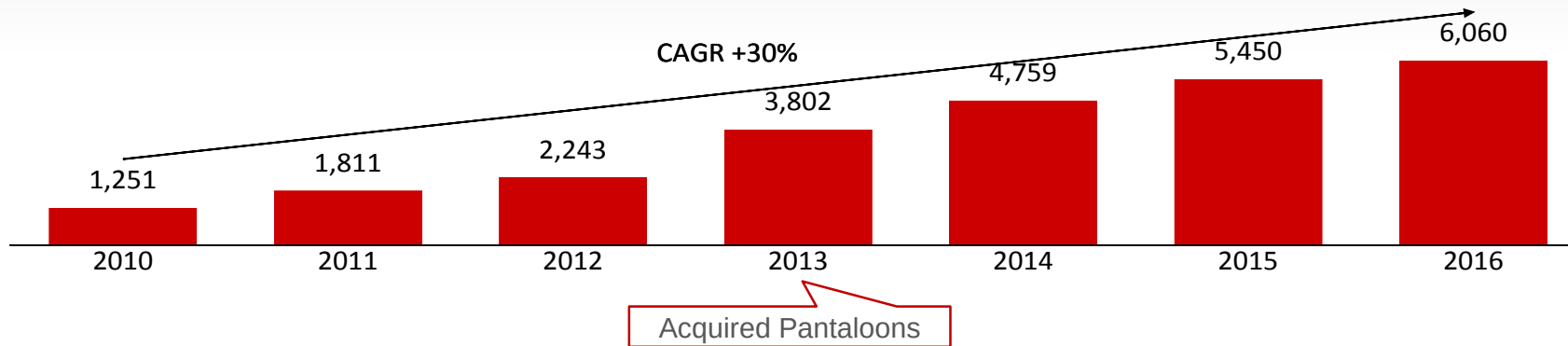
* For the year ended FY16

Strong track-record of organic and inorganic growth

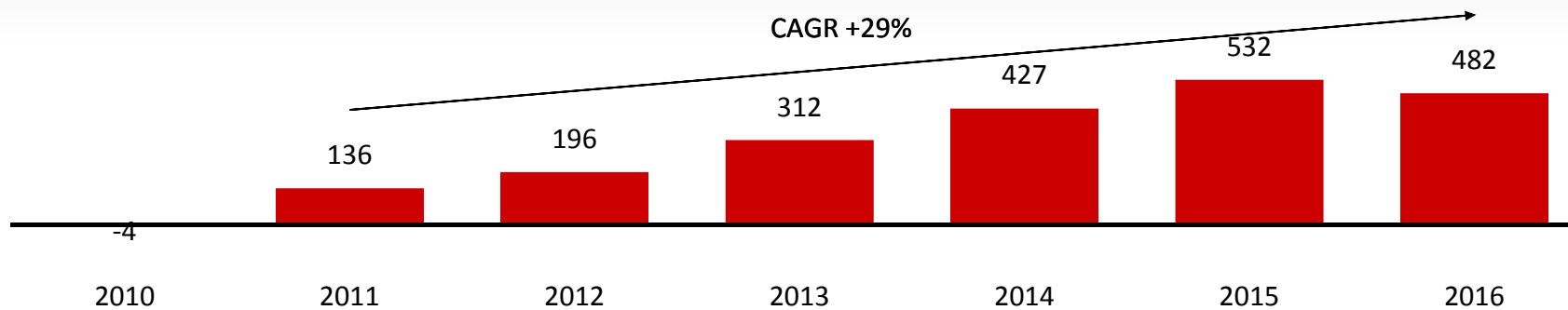
- Growth of brands through extensions and distribution
- Partnerships with Hackett, Ted Baker and Simon Carter
- Acquisition of Pantaloons in the year 2013
- Acquisition of Forever 21 – Indian rights in 2016

Poised to be the first billion dollar pure fashion player in India

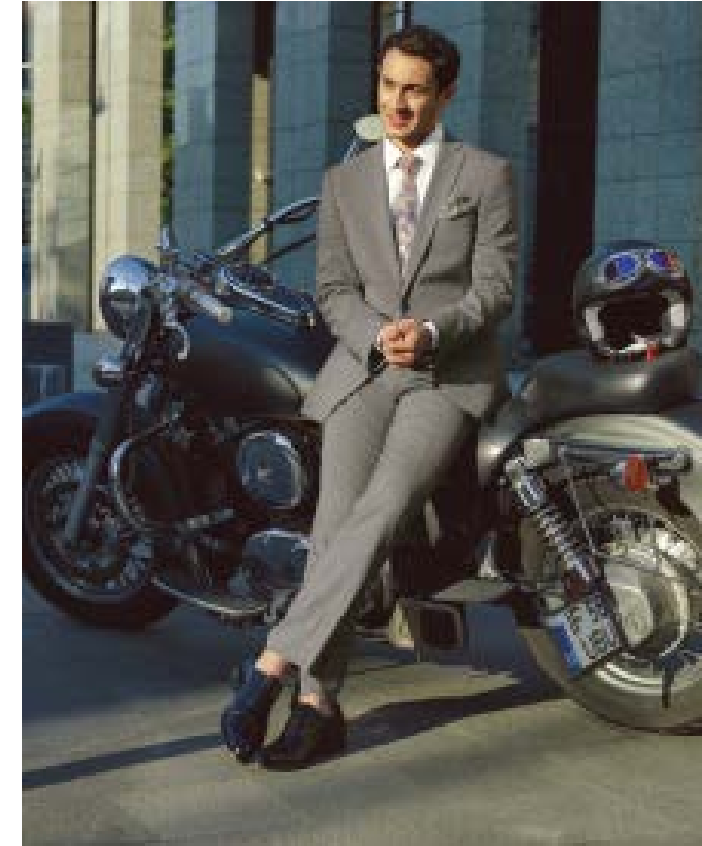
Revenue growth of 30%



EBITDA Y-o-Y growth of 29%



Note: FY16 EBITDA is on a like to like basis with FY15 (without considering merger costs)

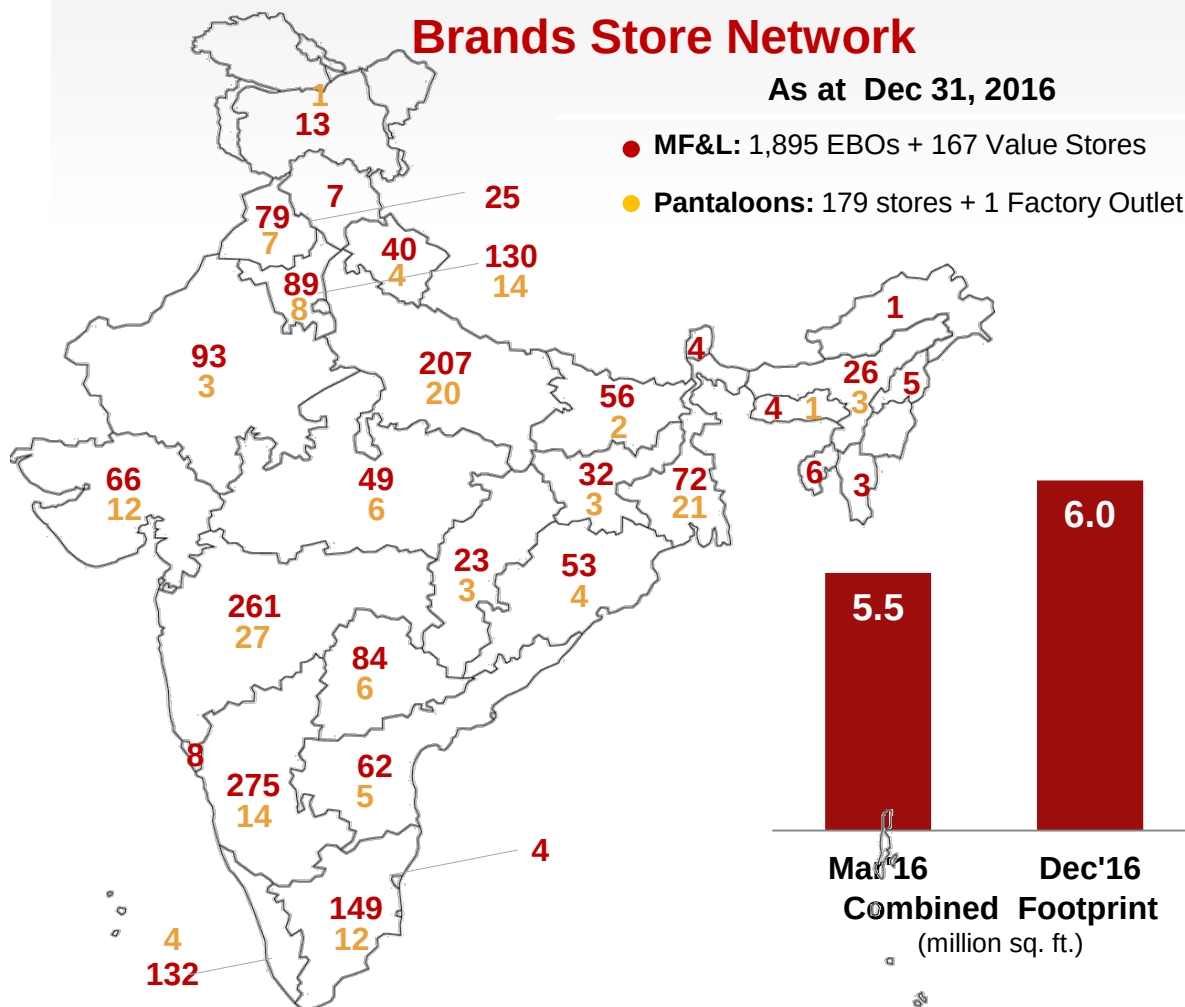


ABFRL | Widest distribution network in the fashion space

Brands Store Network

As at Dec 31, 2016

- MF&L: 1,895 EBOs + 167 Value Stores
- Pantaloons: 179 stores + 1 Factory Outlet



MBOs



- MF&L brands are present in ~4,500 Multi Brand Outlets

- MF&L brands present across all department stores through ~3,300 SISs

Large Format Stores



E-commerce



- MF&L and Pantaloons brands sold on all leading e-commerce websites in the country



Market Overview



ABFRL Q3 Highlights



ABFRL Segmental Performance



Q3 Financials (*P&L , IndAS vs. GAAP*)

Key market trends in FY17 – Q3

- Q3 started with strong festive sentiments in October
- However, the demonetization move impacted the industry sharply in November
 - November sales fell by nearly 25% - 30% post announcement
- December witnessed a healthy recovery, though overall business continues to be lower than normal
 - Wholesale channel & smaller towns more severely impacted
 - Retail sales has recovered to ~ 90% of normal levels by end December
- Industry went for an early EOSS to liquidate excess inventory due to demonetization

FY17 – Q3 Performance



Market Overview



ABFRL Q3 Highlights



ABFRL Segmental Performance



Q3 Financials (*P&L, IndAS vs. GAAP*)

Robust Performance despite Demonetization Impact

Q3 Performance:

- Despite the impact of demonetization, Q3 revenues grew by 5%
- EBITDA for the quarter at Rs 95 Cr was marginally lower than Rs 102 Cr Last Year

YTD Q3 Performance:

- Revenue grew by 9% to Rs 5,009 Cr
- EBITDA grew by 11% to Rs 343 Cr
- EBIT grew by 26% to Rs 166 Cr

Key Initiatives

- **Digital Transformation**
 - E-commerce: Transition to Brand.com
 - Omni-channel rollout: ~ 450 stores
 - Strategic partnership with leading third party E-com players
- **Cost rationalization programs**
 - Network rationalization
 - General expense : Overheads, advertising
- **Working capital management**
 - Reduced overall working capital by ~ Rs 50 Cr as compared to beginning of this year, despite fresh investments in new businesses

ABFRL | Q3 Performance

	Q3 FY16	Q3 FY17	
☐ Revenue	Rs. 1,624 Cr	Rs. 1,707 Cr	 5%
☐ EBITDA	Rs. 102 Cr	Rs. 95 Cr	
☐ EBITDA Margin	6.3 %	5.6 %	
☐ EBIT	Rs. 47 Cr	Rs. 30 Cr	
☐ PAT	Rs. 6 Cr	Rs. (12) Cr	

Note: Results for YTD Q3 FY17 incorporate the financials of F21 acquired in Q2FY17 and the newly launched Innerwear business

ABFRL | YTD Q3 Performance

	YTD Q3 FY16	YTD Q3 FY17	
☐ Revenue	Rs. 4,599 Cr	Rs. 5,009 Cr	 9%
☐ EBITDA	Rs. 308 Cr	Rs. 343 Cr	 11%
☐ EBITDA Margin	6.7 %	6.8 %	
☐ EBIT	Rs. 132 Cr	Rs. 166 Cr	 26%
☐ PAT	Rs. (1) Cr	Rs. 32 Cr	

Note: Results for YTD Q3 FY17 incorporate the financials of F21 acquired in Q2FY17 and the newly launched Innerwear business

FY17 – Q3 Performance



Market Overview



ABFRL Q3 Highlights



ABFRL Segmental Performance



Q3 Financials (*P&L , IndAS vs. GAAP*)

ABFRL | Q3 Segmental Performance

In Rs. Crores

Segment	NSV			EBITDA	
	Q3 FY16	Q3 FY17	Growth	Q3 FY16	Q3 FY17
Madura Fashion & Lifestyle	1,060	1,056	-0.4%	63	63
Pantaloon	592	667	12.6%	38	33
Elimination/Others	-28	-15		1	-2
Total	1,624	1,707	5.1%	102	95

Note: Results for YTD Q3 FY17 incorporate the financials of F21 acquired in Q2FY17 and the newly launched Innerwear business

ABFRL | YTD Q3 Segmental Performance

In Rs. Crores

Segment	NSV			EBITDA	
	YTD Q3 FY16	YTD Q3 FY17	Growth	YTD Q3 FY16	YTD Q3 FY17
Madura Fashion & Lifestyle	3,048	3,069	0.7%	263	225
Pantaloons	1628	1968	20.9%	71	111
Elimination/Others	-77	-28		-27	6
Total	4,599	5,009	8.9%	308	343

Note: Results for YTD Q3 FY17 incorporate the financials of F21 acquired in Q2FY17 and the newly launched Innerwear business



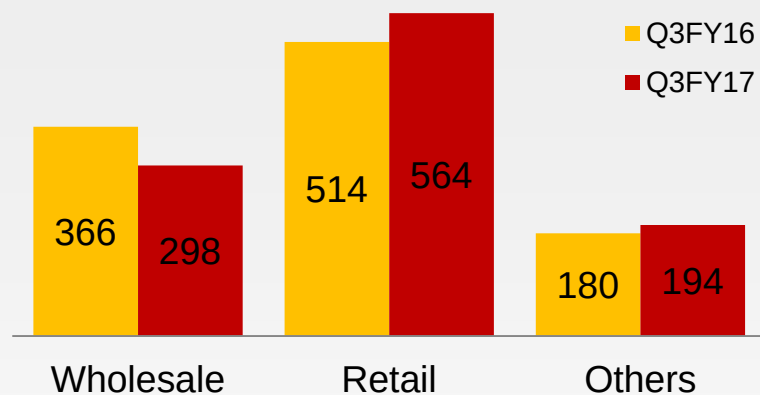
MADURA FASHION & LIFESTYLE

Madura Fashion & Lifestyle – Performance Summary Q3 FY17

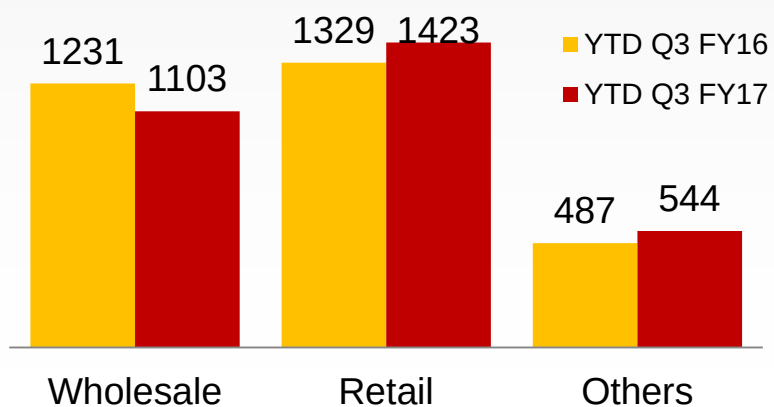
- **MFL strategy of calibrated discounting, cost rationalization and tight inventory management resulted in robust performance despite challenging market conditions**
 - Despite demonetization impact, revenue for the quarter only marginally lower at Rs 1,056 cr (LY : Rs 1,060 Cr)
 - Wholesale channel revenues impacted more severely
 - Retail sales recovered back to normal in December
 - EBITDA for the quarter maintained at same level as last year Q3 at Rs 63 Cr
 - This is after absorbing the expenses of new businesses -innerwear and Forever21
 - Core brands improved profitability despite lower revenues

Madura Fashion & Lifestyle – Channel Performance

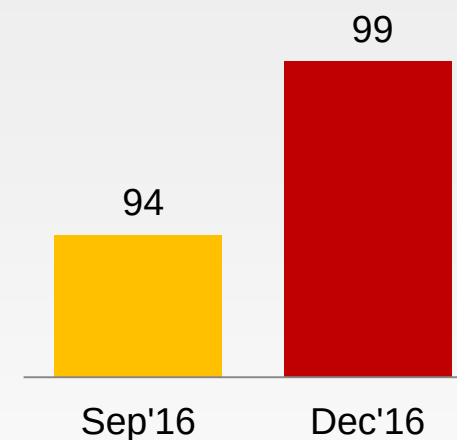
Channel-wise Q3 Revenue (Rs. in Crs)



Channel-wise YTD Q3 Revenue (Rs. in Crs)



Loyalty base (in lacs)



~55% of sales comes from loyal customers

PANTALOONS



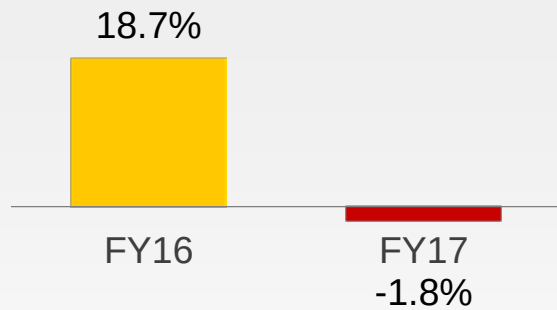
Pantaloons – Performance Summary – Q3 FY17

Pantaloons

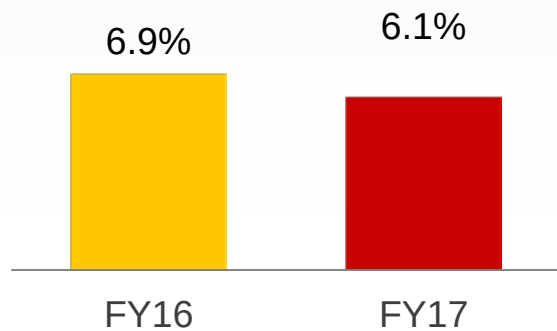
- Successful execution of the Value Fashion strategy led to:
 - LTL growth 12% in October & 6% in December. However November LTL declined by 25% impacting Q3 overall LTL
 - Own brands Mix continues to improve and stands at 62.5%
 - For full festive period (Sep – Dec), Pantaloons registered L2L value growth of 4.4% and L2L volume growth of 11.5%
- Added 18 new stores to our network, out of which 8 stores were converted from PFO
 - Expanded franchisee network - currently 14 franchisee stores
- Leveraging brand 'Pantaloons'
 - Currently have 10 Woman and 5 Kids stores operational

Pantaloons – Retail Performance

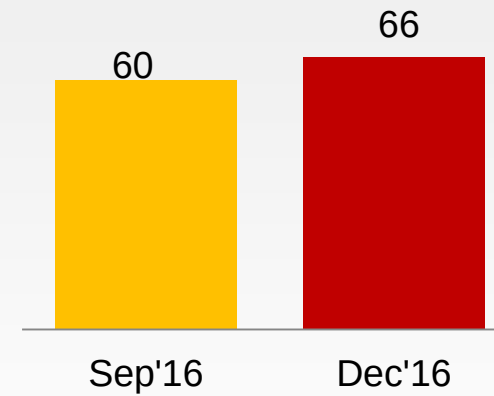
Q3 L2L Growth %



Q3 YTD L2L Growth %



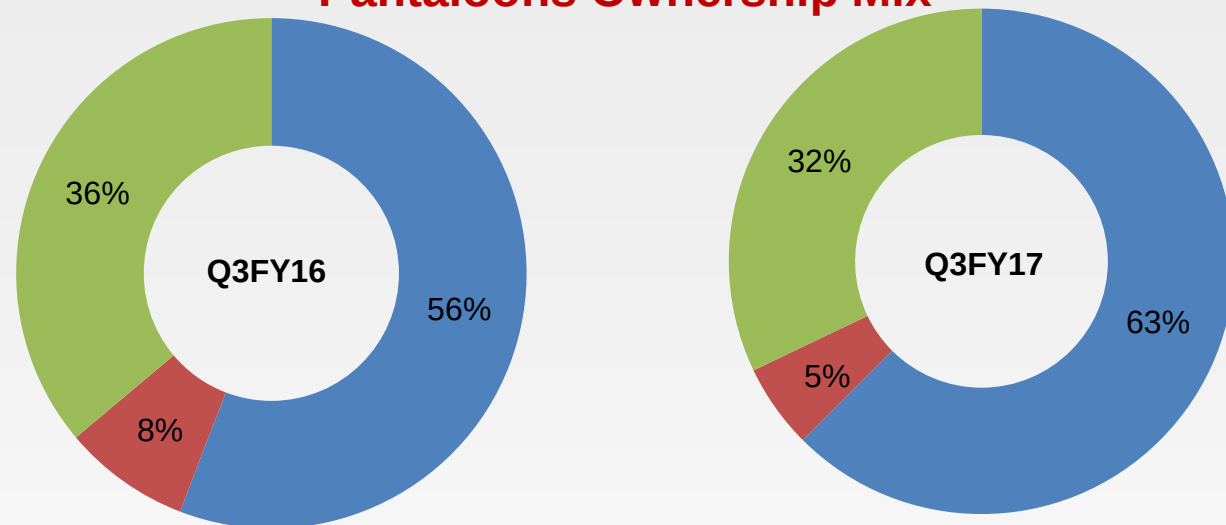
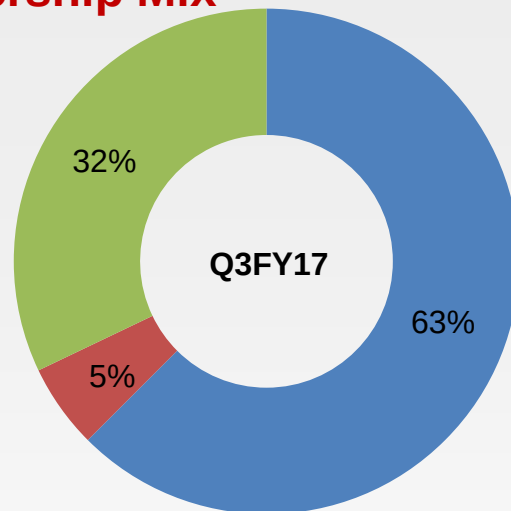
Loyalty base (in lacs)



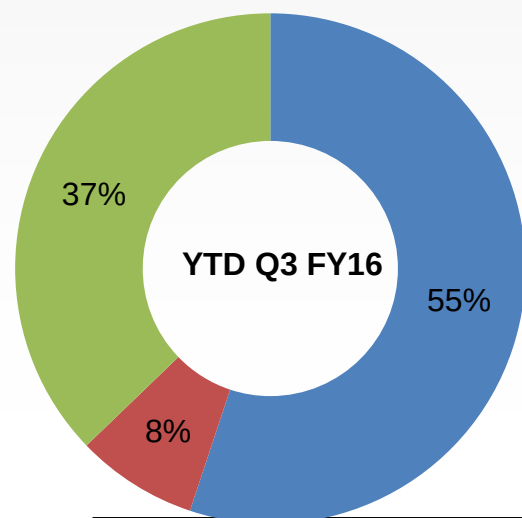
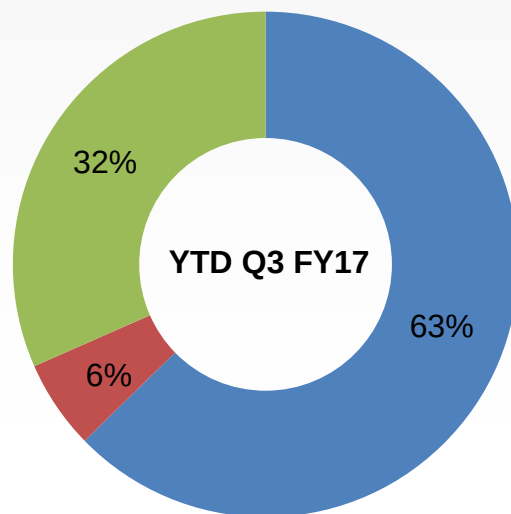
~78% of sales comes from loyal customers

Pantaloons Revenue Mix – Q3 & YTD Q3

Pantaloons Ownership Mix

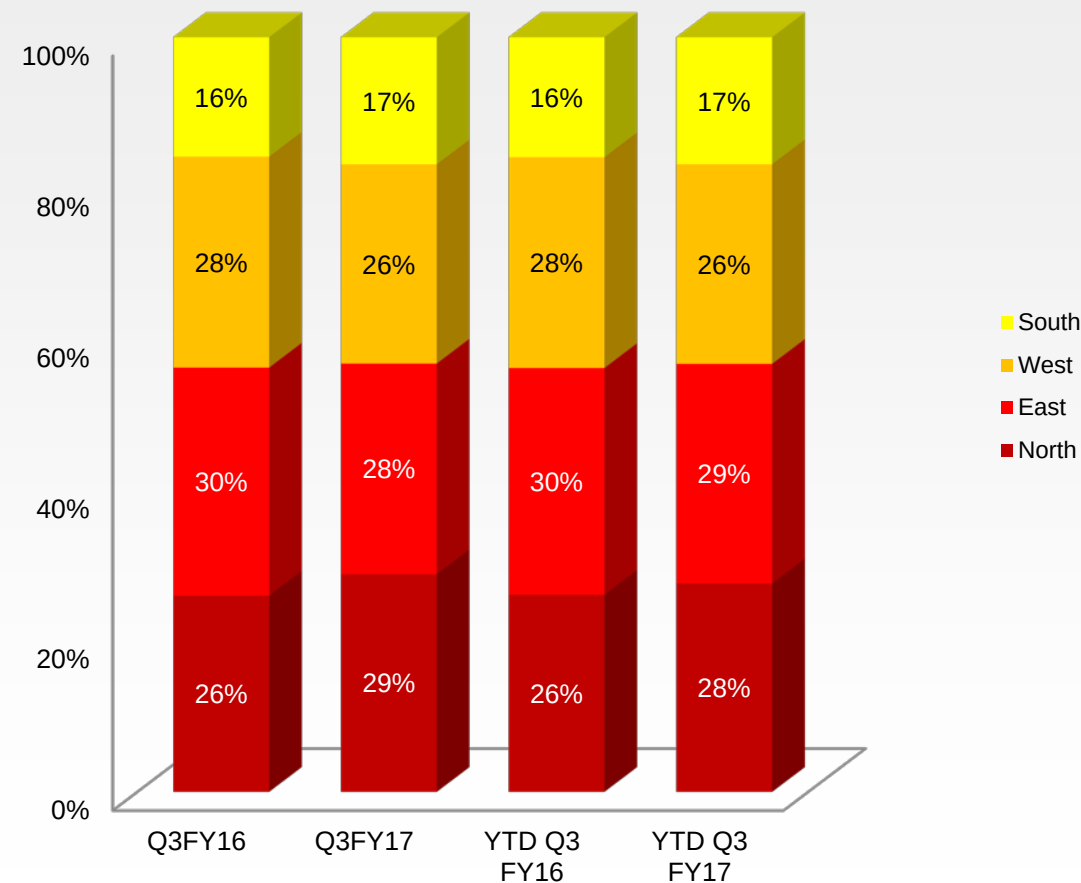


Own Brands MFL Others



Own brands contribute to 62.5% of the revenue

Pantaloons Regional Mix



FY17 – Q3 Performance



Market Overview



ABFRL Q3 Highlights



ABFRL Segmental Performance



Q3 Financials (*P&L , IndAS vs. GAAP*)

ABFRL | Profit & Loss Statement

P&L Statement (In Rs. Cr.)	Q3- FY16	Q3- FY17	Change		YTD Q3- FY16	YTD Q3- FY17	Change
Net Sales / Income from Operations	1,614	1,699			4,568	4,974	
Other Operating Income	10	8			31	35	
Revenue from operations	1,624	1,707	5%		4,599	5,009	9%
<u>Expenses</u>							
Cost of Materials consumed	137	153			440	465	
Purchase of Stock- in Trade	606	561			1,699	1,734	
Changes in inventories of finished	(12)	67			(37)	79	
Employee benefits expenses	173	184			480	544	
Depreciation and amortisation	55	65			176	177	
Excise Duty	-	8			-	20	
Rent expenses	253	299			703	816	
Other expenses	372	348			1,024	1,031	
Total Expenses	1,584	1,685	6%		4,485	4,864	8%
Profit / (Loss) from Operations	40	22	-46%		114	145	27%
Other Income	6	8			18	21	
Profit / (Loss) before Finance	47	30	-36%		132	166	26%
Finance Cost	40	42			132	134	
Net Profit / (Loss) before tax	6	(12)			(1)	32	
Tax Expenses	-	-			-	-	
Net Profit / (Loss) after tax	6	(12)	-293%		(1)	32	-4160%
Other Comprehensive Income	0	6			(0)	(3)	
Total Comprehensive Income	7	(7)	-204%		(1)	29	-3379%

IGAAP AND INDAS RECONCILIATION

Particulars	Rs.Cr.					
	Q3 FY16			9 months ended Dec-15		
	Revenue	EBIDTA	PBT	Revenue	EBIDTA	PBT
As per IGAAP	1,627.2	102.5	7.4	4,617.8	313.1	5.7
As per INDAS	1,623.9	101.5	6.4	4,599.1	307.7	(0.8)
Difference	(3.3)	(1.0)	(1.0)	(18.7)	(5.4)	(6.5)
<u>Reclassification</u>						
Cash Discount earlier shown as other expenses	(2.0)	-	-	(5.3)	-	-
CRM earlier shown as other expenses	0.1	-	-	0.1	-	-
Shrinkage earlier shown as other expenses	(0.8)	-	-	(2.5)	-	-
Total Reclassification	(2.7)	-	-	(7.7)	-	-
<u>Remeasurement</u>						
Security Deposits to Landlords - fair valuation	-	(0.2)	(0.2)	-	(0.5)	(0.5)
Franchisee Deposits - fair valuation	-	0.0	0.0	-	0.1	0.1
Interest on Convertible Debentures	-	-	-	-	-	(1.0)
Government Grants - EPCG Export Benefit	-	0.0	0.0	-	0.0	0.0
Gratuity - actuarial valuation	-	(0.1)	(0.1)	-	0.1	0.1
Lease Incentive - straight lining over rent free period	-	1.4	1.4	-	0.6	0.6
SOR sale - where there was a right to return inventory, now derecognised	(0.6)	(2.2)	(2.2)	(11.0)	(6.9)	(6.9)
Stock Option Scheme - fair valuation	-	0.1	0.1	-	1.1	1.1
Total Remeasurement	(0.6)	(1.0)	(1.0)	(11.0)	(5.4)	(6.5)
Total Reclassification and Remeasurement	(3.3)	(1.0)	(1.0)	(18.7)	(5.4)	(6.5)

- **ABFRL will continue to build on its leadership through investments in key strategic themes**
 - **Brand development** through investment in brand building, merchandise and refreshed store experience
 - **Aggressive retail expansion** for value and fashion formats: Pantaloons and Forever 21
 - **Building agile design & supply chain** by executing shift to 4 season cycle
 - **Enhancing capital productivity** & focus on **cost optimization**
 - **Digital Transformation** through own & partnered E Commerce
 - **Enriching the portfolio** to build leadership presence across all critical product & consumer segments
- **Recent demonetization has affected the business across the industry**
 - Retail revenues are slowly back to normal
 - Wholesale customers and small supplier eco-system continues to be affected. Expect impact to persist for another one quarter

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